

**MEMORANDUM OF UNDERSTANDING**  
**TECH TALENT INVESTMENT PROGRAM**  
**VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**  
**MASTER'S DEGREES**

THIS **MEMORANDUM OF UNDERSTANDING** (this "Memorandum"), dated as of November 1, 2019 (the "Effective Date"), is made by and between the **COMMONWEALTH OF VIRGINIA** (the "Commonwealth"), and **VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**, a baccalaureate public institution of higher education created under the laws of the Commonwealth (the "Qualified Institution").

Recitals

The Commonwealth wishes to bolster its reputation as one of America's top states for technology companies and professionals. To do so, the Commonwealth wishes to make performance-based, statewide investments in computer science and related fields to more than double the Commonwealth's tech-talent pipeline. These investments will benefit technology companies and other employers of technology professionals across the Commonwealth.

To accomplish these investments, the Commonwealth has created the Tech Talent Investment Program (the "Program") under the Act, as defined below. Investments made under the Program will support admissions and advising programs designed to convey labor market information to students to guide decisions to enroll in certain eligible degree programs; academic programs; facility construction, renovation, and enhancement; and equipment purchases related to the goal to increase the number of technology degrees awarded. The investments will be made through grants (the "Grants") to eligible institutions.

The Qualified Institution is an institution that is expected to qualify for Grants under the Program, based upon its promises to materially increase the enrollment, retention, and graduation of students pursuing Eligible Degrees, as defined below. It is intended that the Grants will support the efforts of all eligible institutions, including the Qualified Institution, to increase by 2039 the number of Eligible Degrees by at least 25,000 more degrees than the number of such degrees that would be conferred by the eligible institutions if they were to continue their degree production rates at the same level as they did in the 2018-2019 Fiscal Year, as defined below, and to improve the readiness of graduates to be employed in technology-related fields and fields that align with traded-sector growth opportunities identified by the Virginia Economic Development Partnership Authority ("VEDP").

The stimulation of the additional tax revenue and economic activity to be generated by strengthening the tech-talent pipeline in growing fields of interest to technology companies constitutes a valid public purpose for the expenditure of public funds and is the animating purpose for the Program and the Grants.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, receipt of which is hereby acknowledged, the Commonwealth and the Qualified Institution agree as follows:

**Section 1. Definitions.** As used in this Memorandum:

*"Act"* means Chapter 12.1 of Title 23.1 of the Virginia Code, including Sections 23.1-1239 through 23.1-1243, as such Chapter and Sections may be amended or supplemented.

*"Baseline"* means the number of Eligible Degrees conferred by the Qualified Institution during the 2018-2019 Fiscal year.

*"Capital Component"* means that portion of the Grant Payment in a given year that is allocated to the Capital Investment, as shown in the Table in Section 5(b).

*"Capital Investment"* means an expenditure by or on behalf of the Qualified Institution on or after July 1, 2019, in real property, tangible personal property, or both, at or with respect to the Qualified Institution that is properly chargeable to a capital account or would be so chargeable with a proper election. The purchase of furniture, fixtures, personal property, machinery and tools, and building construction, expansion and up-fit by or on behalf of the Qualified Institution will qualify as Capital Investment.

*"Designated Reviewers"* means the Secretary of Education, the Secretary of Finance, the Director of the Virginia Department of Planning and Budget, the Director of the State Council of Higher Education for Virginia, the President and Chief Executive Officer of VEDP, and the staff directors of the House Committee on Appropriations and the Senate Committee on Finance, or their designees.

*"Eligible Degree Fields"* means computer science, computer engineering, or computer software engineering. In accordance with Section 3(b), in future Fiscal Years, VEDP may identify as Eligible Degree Fields other fields of study that otherwise align with traded-sector, technology-focused growth opportunities identified by VEDP.

*"Eligible Degrees"* means the master's degrees conferred by the Qualified Institution in the Eligible Degree Fields. Eligible Degrees do not include degrees conferred for online students who do not qualify for in-state tuition.

*"Eligible Expenses"* means the costs expected to be incurred by the Qualified Institution to carry out its Plan, including Capital Investment, Equipment Expenses, and Operating Expenses.

*"Equipment Component"* means that portion of the Grant Payment in a given year that is allocated to the Equipment Expenses, as shown in the Table in Section 5(b).

*"Equipment Expenses"* means costs, including financial costs, expected to be incurred by or on behalf of the Qualified Institution for equipment, machinery and tools purchased or leased to implement the Plan.

*"Fiscal Year"* means the Commonwealth's fiscal year, which runs from July 1 of one calendar year through June 30 of the following calendar year.

*“Fund”* means the Tech Talent Investment Fund created under the Act. Grant Payments will be made to the Qualified Institution from the Fund.

*“Governor”* means the Governor of Virginia.

*“Grant Payment”* means each payment from the Fund to be made by the Commonwealth to the Qualified Institution pursuant to the Act and this Memorandum. Each Grant Payment may include a State General Fund (SGF) Component, an Equipment Component, and a Capital Component.

*“Memorandum”* means this Memorandum of Understanding, as it may be amended or supplemented from time to time.

*“New Eligible Degrees”* means the number of Eligible Degrees conferred by the Qualified Institution during a Fiscal Year over and above the Baseline.

*“Operating Expenses”* means costs expected to be incurred by or on behalf of the Qualified Institution for its normal operations of implementing the Plan, excluding Capital Investments and Equipment Expenses, but otherwise including startup costs.

*“Organic Degree”* is a New Eligible Degree that resulted from overall growth in the number of degrees conferred by the Qualified Institution as a result of growing overall institutional enrollment (as opposed to an enrollment shift from other programs to Eligible Degree Fields).

*“Philanthropic Match”* means new philanthropic contributions, made or converted to cash (for example, a sale of real property) on or after November 13, 2018 and by or before June 30, 2029, to the Qualified Institution or its affiliated foundation that are, subject to the provisions below: (1) unrestricted in their usage, but are allocated or earmarked by the Qualified Institution to the Eligible Expenses needed to implement the Plan for New Eligible Degrees to be conferred in Northern Virginia, including scholarships for students pursuing Eligible Degrees, or (2) restricted by the donor such that they are dedicated specifically for Eligible Expenses needed to implement the Plan for New Eligible Degrees to be conferred in Northern Virginia, including scholarships for students pursuing Eligible Degrees. Such new contributions may include traditional gift types that could be converted to cash (for example, stocks or other securities, personal property or real property). Unrestricted contributions or in-kind contributions may be considered as part of the Philanthropic Match only to the extent that such contributions are approved by the Secretary of Finance, in consultation with the Designated Reviewers.

*“Plan”* means the plan submitted by the Qualified Institution setting forth how the Qualified Institution proposes to materially increase the enrollment, retention, and graduation of students pursuing Eligible Degrees.

*“Production Ratio”* means a fraction stated as a percentage, the numerator of which is the cumulative number of New Eligible Degrees conferred through a given Fiscal Year, and the denominator of which is the cumulative number of New Eligible Degrees that the Qualified Institution committed to confer through such Fiscal Year.

*“Program”* means the Tech Talent Investment Program established under the Act.

*"Progress Report"* has the meaning set forth in Section 8(c).

*"Qualified Institution"* means Virginia Polytechnic Institute and State University, operating under Chapter 26 of Title 23.1 of the Virginia Code, and its successors and assigns.

*"Reallocated Degree"* is a New Eligible Degree that is not an Organic Degree. A Reallocated Degree receives 15% of the SGF Component funding as does an Organic Degree.

*"Request"* means the annual written request for a Grant Payment, including supporting documentation, to be filed by the Qualified Institution with the Secretary of Finance, as described in Section 4.

*"SGF Component"* means that portion of the Grant Payment in a given year that is allocated to the Operating Expenses, as shown in the Table in Section 5(b).

*"Secretary of Education"* means the Commonwealth's Secretary of Education, or his or her designee.

*"Secretary of Finance"* means the Commonwealth's Secretary of Finance, or his or her designee.

*"VEDP"* means the Virginia Economic Development Partnership Authority, or its successors and assigns.

*"Virginia Code"* means the Code of Virginia of 1950, as amended.

## **Section 2. Tech Talent Investment Program; Generally.**

(a) Qualified Institution as a Qualified Institution Under the Act. The Qualified Institution is a baccalaureate public institution of higher education, as defined in Virginia Code Section 23.1-100. The Commonwealth acknowledges and agrees that the Qualified Institution is a "qualified institution" as defined in the Act.

(b) Memorandum. The parties intend that this Memorandum meet the requirement in the Act that there be a memorandum of understanding between the Commonwealth and the Qualified Institution, setting forth the requirements for the disbursement and receipt of Grant Payments. This Memorandum will set forth criteria for Eligible Degrees, the Eligible Expenses, and Eligible Degree Field degree production goals for a 20-year period ending with the 2038–2039 Fiscal Year.

(c) Grant Payments Subject to Appropriation. The Commonwealth's obligations under this Memorandum and the Act to make Grant Payments to the Qualified Institution shall constitute contractual obligations to make such payments; *provided* that the parties acknowledge that all of the Grant Payments described in this Memorandum are subject to appropriation by the Virginia General Assembly, will be paid from the Fund, and are subject to reduction should there be insufficient moneys in the Fund to make the Grant Payments in full.

Although payments to the Qualified Institution under this Memorandum are subject to appropriation by the Virginia General Assembly, the Secretary of Education, on behalf of the

Commonwealth, agrees to exercise diligence and use best efforts in seeking the necessary funding from the Virginia General Assembly for the Grant Payments to the Qualified Institution set forth in this Memorandum.

If there are insufficient funds in the Fund in a Fiscal Year to pay the Grant Payment due to the Qualified Institution for that Fiscal Year and all other grants payments due in that Fiscal Year to all other eligible institutions under the Program, the Grant Payment, and all such other grant payments, will be prorated to reflect the actual balance in the Fund, as set forth in Virginia Code Section 23.1-1242 A.

(d) Support for Community College Initiatives. The Secretary of Education hereby indicates that it is the intention of the Commonwealth to continue and to enhance its support for initiatives and programs through the Virginia Community College System that will strengthen the opportunities for students who may wish to transfer to baccalaureate public institutions of higher education, such as the Qualified Institution, to pursue Eligible Degrees.

(e) Construction of Facilities to be Financed with the Capital Component. If the Plan indicates that the Qualified Institution will be constructing or improving facilities that will be financed in whole or in part through the Capital Component, the Qualified Institution will seek and obtain the approval of the Designated Reviewers for the scope of the facilities and the anticipated financing for the facilities, as well as follow the normal capital budget processes for facilities with the Virginia General Assembly and Governor. Further, the Qualified Institution will not commence construction or improvement of such facilities until the sources of funding for the facilities are in place. Any costs of operations and maintenance associated with such facilities will be paid by the Qualified Institution, whether from Grant Payments or other resources of the Qualified Institution.

(f) Sources of Funding for Equipment Purchases. Although the Equipment Component is likely to be a significant source of financing for the Equipment Expenses, the Qualified Institution may also use other sources of financing for the Equipment Expenses.

### **Section 3. The Plan; Amendments to Plan.**

(a) Plan. The Qualified Institution's Plan has been provided to the Secretary of Finance.

(b) Identification of Additional Fields of Study. At any time or from time to time, VEDP may notify the Secretary of Finance and the Secretary of Education that, in consultation with, and with the approval of, the Designated Reviewers, VEDP has identified new fields of study as aligning with traded-sector, technology-focused growth opportunities in the Commonwealth. The Secretary of Education will notify the Qualified Institution and other eligible institutions under the Program. In the next Request, the Qualified Institution may request an amendment of its Plan to select one or more of such new fields as Eligible Degree Fields and to incorporate such Eligible Degree Fields into its Plan.

(c) Adjustment to Plan at Request of Qualified Institution. At any time, or from time to time, the Qualified Institution may request an amendment to its Plan by submitting its request to the Secretary of Finance. Such request may include a request to withdraw from the Program.

(d) Adjustment to Plan at Request of Secretary of Finance. The Secretary of Finance, in consultation with the Designated Reviewers, may request an amendment to the Plan at any time and from time to time.

(e) Review of Amendment; Approval by Governor. The Secretary of Finance will promptly provide a copy of the proposed amendment to the Designated Reviewers. The Secretary of Finance will consult with the other Designated Reviewers to determine the whether to recommend to the Governor approval of the amendment. The amendment will not become effective until it is approved by the Governor.

#### **Section 4. Annual Request; Grant Payment.**

(a) Annual Request for Grant Payment. The execution and delivery of this MOU will be deemed to be the first Request, and it is expected that the first Grant Payment will be paid no later than December 15, 2019. Thereafter, on or before September 15 of each year, commencing September 15, 2020, the Qualified Institution shall provide a Request for a Grant Payment to be paid by December 15 of the same year.

(b) Content of Request. The Request will be in the form attached hereto as Appendix 1. In addition, the Request will include the information regarding the Philanthropic Match, in the form attached hereto as Appendix 2.

(c) Review of the Request; Approval of Grant Payment. The Secretary of Finance will promptly provide a copy of the Request to the Designated Reviewers. The Secretary of Finance will consult with the other Designated Reviewers to determine the appropriate Grant Payment, if any, to recommend for the Qualified Institution.

Within 60 days of the September 15 due date for the receipt of the Request, the Secretary of Finance will make a recommendation to the Governor of the appropriate amount of the next Grant Payment. If a Grant Payment is approved by the Governor, the Qualified Institution shall be eligible to receive a Grant Payment in the amount approved, subject to the provisions of Section 2. Within 30 days of receipt of the approval of the Governor, the Secretary of Finance will certify to the Comptroller and the Qualified Institution the amount of the Grant Payment to be paid to the Qualified Institution.

To the extent that the Secretary of Finance has questions about the data supplied by the Qualified Institution in any Request, the parties will engage in good faith efforts to resolve such questions and, upon the reasonable request of the Secretary of Finance, the Qualified Institution will provide access to back-up documentation reasonably sufficient to verify the accuracy and completeness of the Request, and to demonstrate the manner in which such items or their contents were calculated or prepared. In the sole discretion of the Secretary of Finance, the Commonwealth may require such other documentation or audits as may be required to properly verify the information provided in a Request or a Progress Report. The Commonwealth acknowledges that the Qualified Institution's ability to provide information or documentation in response to a request or audit shall be subject to any applicable privacy or confidentiality laws, include the Family Educational Rights and Privacy Act.

#### **Section 5. Grant Payments.**

(a) Grant Payments. Based upon the certification provided by the Secretary of Finance in Section 4(c), payment of the Grant Payment is expected to be made by the December 15 following the Request. The Comptroller shall not draw any warrants to make such Grant Payments under this Section without a specific appropriation for the same.

(b) Annual Grant Payments. It is expected that the annual amount of Grant Payments to be made to the Qualified Institution under this Memorandum will be as shown in the Grant Payment Table below:

## VIRGINIA'S TECH TALENT INVESTMENT PROGRAM (TTIP) AWARD

### Virginia Tech (Masters)

Baseline Eligible Degree Production (based on AY 2018-19 submission): 97  
 Est. % of New Eligible Degrees that are Reallocated Degrees (based on AY 2018-19 submission): 0%  
 Est. % of New Eligible Degrees Produced from In-State Graduates (based on AY 2018-19 submission): 50%

Academic Year / Fiscal Year	Total Eligible Master's Degree Production Commitment	New Eligible Master's Degree Production Commitment Above Baseline	Cumulative New Eligible Master's Degree Production Commitment Above Baseline	Awarded Operating Expense Support (SGF \$)	Awarded Equipment Support (\$)	Awarded State Capital Support (\$)	TOTAL AWARDED STATE SUPPORT (\$)
19-20	144	47	47	1,842,378	-	167,733,333	169,575,711
20-21	207	110	157	3,261,805	3,075,000	-	6,336,805
21-22	292	195	351	3,261,805	2,460,000	-	5,721,805
22-23	377	280	631	3,261,805	2,460,000	-	5,721,805
23-24	462	365	996	3,261,805	2,460,000	-	5,721,805
24-25	547	450	1,446	3,261,805	2,460,000	-	5,721,805
25-26	632	535	1,981	3,261,805	2,460,000	-	5,721,805
26-27	739	642	2,622	3,261,805	3,075,000	-	6,336,805
27-28	739	642	3,264	3,261,805	-	-	3,261,805
28-29	739	642	3,906	3,261,805	-	-	3,261,805
29-30	739	642	4,548	3,261,805	-	-	3,261,805
30-31	739	642	5,189	3,261,805	-	-	3,261,805
31-32	739	642	5,831	3,261,805	-	-	3,261,805
32-33	739	642	6,473	3,261,805	-	-	3,261,805
33-34	739	642	7,115	3,261,805	-	-	3,261,805
34-35	739	642	7,757	3,261,805	-	-	3,261,805
35-36	739	642	8,398	3,261,805	-	-	3,261,805
36-37	739	642	9,040	3,261,805	-	-	3,261,805
37-38	739	642	9,682	3,261,805	-	-	3,261,805
38-39	739	642	10,324	3,261,805	-	-	3,261,805
<b>TOTAL</b>	<b>12,270</b>	<b>10,324</b>		<b>63,816,867</b>	<b>18,480,000</b>	<b>167,733,333</b>	<b>250,000,000</b>

**Note: Award amounts for FY21-FY40 are subject to appropriation.**

### (c) Potential Adjustments to Annual Grant Payments.

(i) *Fewer than Anticipated Eligible Degrees:* Starting with Fiscal Year 2022-23, the amount of the SGF Component of the Grant Payment will be reduced if the Qualified Institution has not achieved a Production Ratio of at least 90% through the prior Fiscal Year. For example, if through the 2024-25 Fiscal Year, the Qualified Institution's Production Ratio is 92% (thereby exceeding the required threshold), there will be no reduction in the amount of the SGF Component of the next Grant Payment. As an alternative example, if through the 2024-25 Fiscal Year, the Qualified Institution's Production Ratio is only 70% (thereby falling short of the required threshold), there will be a reduction in the amount of the SGF Component of the next Grant Payment (an "SGF Reduction").

If an SGF Reduction is necessary as a result of the Qualified Institution's Production Ratio falling below the required threshold, the SGF Component of the next Grant Payment will be reduced by a percentage equal to the percentage by which the Qualified Institution's Production Ratio through the applicable Fiscal Year falls short of 100%. For example, if the Qualified Institution's Production Ratio is 74.1% through the applicable Fiscal Year, the SGF Component of the next Grant Payment will be reduced to an amount equal to 74.1% of the SGF Component for that applicable Fiscal Year. Each SGF Reduction reduces the total amount of funds available to the Qualified Institution through the Program, and the amount of such reductions cannot be recovered by the Qualified Institution in succeeding Fiscal Years.

(ii) *Decline in Organic Growth Proportion:* The Plan includes the estimated proportion of New Eligible Degrees that will be associated with growing overall institutional enrollment (as opposed to an enrollment shift from other programs) (the "Expected Organic Growth Rate"). If the actual proportion of New Eligible Degrees that are associated with growing overall institutional enrollment (as opposed to an enrollment shift from other programs) is substantially lower than the Expected Organic Growth Rate, the Secretary of Finance, in consultation with the Designated Reviewers, may adjust the schedule of the remaining Grant Payments to take into account the substantial change.

(iii) *Different Mix of Transfer Students Than Anticipated:* If the actual percentage of New Eligible Degrees conferred on transfer students is substantially higher or lower than it was in the 2018-2019 Fiscal Year, the Secretary of Finance, in consultation with the Designated Reviewers, may adjust the schedule of remaining Grant Payments to take into account the substantial change.

(iv) *Significant Underperformance:* If the Secretary of Finance, in consultation with the Designated Reviewers, determines that the Qualified Institution is significantly unable or unwilling to perform under the Plan, the Secretary of Finance may adjust the schedule of remaining Grant Payments to take in to account the expected shortfall in performance. Such adjustment may include removing the Qualified Institution from the Program.

On or before May 1, 2020, the Designated Reviewers will provide information to the Qualified Institution detailing how the provisions of this Section 5(c) may impact the anticipated Grant Payments, under a variety of scenarios.

(d) Reductions Based Upon Underachievement of Philanthropic Match. The Qualified Institution will provide an annual report on the status of the Philanthropic Match, in the form attached hereto as Appendix 2. In reporting any Philanthropic Match, the Qualified Institution may include pledged funds, but must net out pledged gifts that are withdrawn or that do not occur within the expected timeline for the pledged gift.

The Program requires a one-to-one Philanthropic Match, such that the Philanthropic Match raised through June 30, 2029 must be at least equal to the cumulative Grant Payments made or expected to be made to the Qualified Institution through the termination of the Program in 2039.

If the Philanthropic Match reported through June 30, 2029 is less than the total cumulative amount of the Grant Payments paid or expected to be paid through the termination of the Program



in 2039 (a "Shortfall"), the amount of the remaining ten Grant Payments will be reduced. If the amount of the Shortfall is less than the amount of the ten remaining Grant Payments scheduled to be paid, each of the ten remaining Grant Payments will be reduced by an amount equal to 10% of the Shortfall. If the amount of the Shortfall is greater than the amount of the ten remaining Grant Payments, (1) no further Grant Payments will be made, and (2) the Secretary of Finance, in consultation with the Designated Reviewers, and the Qualified Institution will agree on a repayment schedule for the amount by which the Shortfall is greater than the amount of the ten remaining Grant Payments. The repayment schedule will remain in place even if the Qualified Institution withdraws from the Program prior to 2039.

**Section 6. Supplemental Information.** From time to time, the Designated Reviewers may request information from the Qualified Institution to assess the efficacy of the Program. The Qualified Institution will use its reasonable best efforts to provide the supplemental information and will be provided a reasonable period of time in which to do so. Although not an exhaustive list, such supplemental information may include:

- Information regarding the engagement by the Qualified Institution with private sector companies, which may include input on curriculum development for the Eligible Degree Fields;
- Information regarding the implementation of internship opportunities or research opportunities for students in Eligible Degree Fields; and
- Information regarding the nature of the employment secured by the Qualified Institution's graduates holding Eligible Degrees.

**Section 7. Deferred Grant Payments.** If a Request that otherwise would have demonstrated compliance with the conditions for a Grant Payment is submitted after a September 15 deadline date, the Secretary of Finance, in consultation with the Designated Reviewer, may delay payment of the next Grant Payment by up to six months.

**Section 8. Reporting and Tracking.**

(a) **Pre-Submission Evaluation.** In advance of submitting any Request, the Qualified Institution may request of the Secretary of Finance a pre-submission evaluation for the purpose of determining the adequacy of information, records and other documentation proposed to be submitted. The Secretary of Finance may request the input of one or more Designated Reviewers in providing such evaluation.

(b) **Information to be Withheld or Disclosed.** Any documents containing information that may be withheld from disclosure under the Virginia Freedom of Information Act, and that the Qualified Institution wishes to withhold from disclosure, will be identified as such by the Qualified Institution. The Secretary of Finance will determine whether to honor such request. The Qualified Institution acknowledges that all such documents may be shared by the Secretary of Finance with the Designated Reviewers. If the Secretary of Finance determines to honor such request, the Secretary of Finance will use, and will direct the Designated Reviewers to use, adequate safeguards to maintain the security and confidentiality of all such documents.

The Qualified Institution acknowledges that this Memorandum is a public record subject to disclosure under the Virginia Freedom of Information Act. The Qualified Institution further acknowledges that the amount of each Grant Payment, the basic information required to calculate

the amount of each Grant Payment and the fact that the Qualified Institution did or did not timely file a Request for a Grant Payment or a Progress Report, reflect public records or information that may be disclosed by the Secretary of Finance, without notice to the Qualified Institution.

(c) Progress Reports in Years in Which Requests are Not Filed. The Qualified Institution, for each year it does not file a Request, shall file with the Secretary of Finance a progress report (the "Progress Report") by September 15, containing substantially the information required for a Request. The Secretary of Finance may also request a Progress Report from the Qualified Institution at any time or from time to time, by providing the Qualified Institution with ninety (90) days written notice that a Progress Report is requested.

(d) Report by Secretary of Finance. The Secretary of Finance, in consultation with the other Designated Reviewers, shall submit a report by December 1 of each year to the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance. Such report shall provide an update as to the progress of the Qualified Institution in meeting the goals set forth in this Memorandum, and the aggregate Grant Payments awarded to the Qualified Institution pursuant to the Act and this Memorandum. Such report may be combined with the similar report due with respect to other eligible institutions participating in the Program.

#### **Section 9. Miscellaneous.**

(a) Assignments. None of the Qualified Institution's rights or responsibilities under this Memorandum shall be transferred or assigned, without the prior written consent of the Governor.

(b) Successors and Assigns. Subject to Section 9(a), all of the provisions of this Memorandum shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, to the same extent as if each successor and assign were in each case named as a party to this Memorandum.

(c) Completeness; Modification. This Memorandum, including its appendices and documents incorporated by reference, constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all prior written or verbal agreements, discussions, understandings, representations and negotiations among the parties, except the Act. This Memorandum may be modified only by a written instrument duly executed by both parties and any such modification must be in accordance with the Act. Any modification to this Memorandum shall be submitted by the Secretary of Finance to the chairmen of the House Committee on Appropriations and the Senate Committee on Finance no later than 30 days after being executed by the Governor. To the extent any inconsistency between the Act and this Memorandum exists, the terms of the Act shall control.

(d) Numbers; Gender. Whenever in this Memorandum the singular number is used, the same shall include the plural where appropriate, and vice versa. Words of any gender used in this Memorandum shall include each other gender where appropriate.

(e) Notices. All notices, communications, reports and other information provided under this Memorandum shall be in writing and shall be given by (i) personal delivery, (ii) a nationally recognized overnight courier (providing confirmation receipts) for delivery on the following business day, or (iii) certified or registered mail, postage prepaid to the following

addresses of the parties or to such other address as any party may hereafter furnish by written notice to the other parties:

If to the Commonwealth:

Commonwealth of Virginia  
1111 East Broad Street, 4<sup>th</sup> Floor (zip code: 23219)  
P.O. Box 1475  
Richmond, VA 23218  
Attention: Office of the Governor

And

Commonwealth of Virginia  
1111 East Broad Street, 4<sup>th</sup> Floor (zip code: 23219)  
P.O. Box 1475  
Richmond, VA 23218  
Attention: Secretary of Finance

And:

Commonwealth of Virginia  
1111 East Broad Street, 4<sup>th</sup> Floor (zip code: 23219)  
P.O. Box 1475  
Richmond, VA 23218  
Attention: Secretary of Education

With a copy to:

Virginia Economic Development Partnership  
One James Center, Suite 900  
901 East Cary Street  
Richmond, VA 23219  
Attention: President and Chief Executive Officer

If to the Qualified Institution:

Virginia Polytechnic Institute and State University  
Attention: Timothy D. Sands  
800 Drillfield Drive, Suite 210  
Blacksburg \_\_\_\_\_, Virginia 24061

With a copy to:

Virginia Polytechnic Institute and State University  
Attention: Dwayne L. Pinkney  
800 Drillfield Drive, Suite 210  
Blacksburg \_\_\_\_\_, Virginia 24061

Any notice shall be deemed given when received or first refused by the addressee.

(f) Governing Law; Venue. This Memorandum shall be governed by and construed in accordance with the laws of the Commonwealth, without reference to its choice of law rules. Jurisdiction and venue for any litigation arising out of or involving this Memorandum shall lie in the Circuit Court of the City of Richmond, and such litigation shall be brought only in such court.

(g) Force Majeure. Notwithstanding the foregoing provisions of this Memorandum, if the Qualified Institution fails to take any action required under this Memorandum because of an “Event of Force Majeure” (as defined below), the Secretary of Finance may grant additional time for taking such action on a day-for-day basis by the delay caused by the Event of Force Majeure. “Event of Force Majeure” means without limitation, any of the following: any act of God; act of a public enemy; war; riot; sabotage; blockage; embargo; failure or inability to secure materials, supplies or labor through ordinary sources by reason of shortages or priority; labor strike, lockout or other labor or industrial disturbance (whether or not on the part of agents or employees of either party); civil disturbance; terrorist act; power outage; fire, flood, windstorm, hurricane, earthquake; landslides; lightning; tornadoes; storms; washouts; droughts; or other casualty; insurrection, epidemic, arrests; restraint of government and people; explosions; breakage or accident to machinery, transmission pipes or canals not caused by the Qualified Institution; partial or entire failure of utilities; any change in law, order, regulation or other action of any governing authority other than those governing authorities that are a party to this Memorandum; or any other cause or event not reasonably within the control of the Qualified Institution.

(h) Severability. Whenever possible, each provision of this Memorandum will be interpreted in such a manner as to be valid, legal and enforceable under applicable law. If any term of this Memorandum is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability, while all other terms of this Memorandum shall remain in full force and effect.

(i) No Third-Party Beneficiary. The parties intend that this Memorandum shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, or any individual or entity other than the parties, or their permitted assignees.


(j) Counterparts. This Memorandum may be executed in counterparts. Each counterpart shall be deemed an original, and the counterparts together shall constitute one and the same instrument.

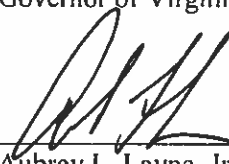
(k) Termination. Unless terminated earlier pursuant to its terms, this Memorandum shall be effective as of the Effective Date and remain in effect until December 31, 2039, which is in Fiscal Year 2040 (the “End Date”), after which this Memorandum and the obligations of all parties hereto shall terminate.


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WITNESS the following signatures as of the day and year first written above.


**COMMONWEALTH OF VIRGINIA**

By   
Name: Ralph S. Northam  
Title: Governor of Virginia

By   
Name: Aubrey L. Layne, Jr.  
Title: Secretary of Finance

By   
Name: Atif Qarni  
Title: Secretary of Education

**VIRGINIA POLYTECHNIC INSTITUTE  
AND STATE UNIVERSITY**

By   
Name: Timothy D. Sands  
Title: President

Appendix 1: Form of Request  
Appendix 2: Philanthropic Match Disclosure

**APPENDIX 1: Tech Talent Investment Pipeline Annual Fiscal Year Report**

**Tech Talent Investment Pipeline Annual Fiscal Year Report**

Fiscal Year: 20\_\_-20\_\_

Submission Due Date: September 15, 20\_\_

Name of Institution: Virginia Polytechnic Institute and State University

Date of Submission: \_\_\_\_\_

Name of Individual(s) who prepared report: \_\_\_\_\_

Contact Information of Individual(s) who prepared report: \_\_\_\_\_

# of Degrees Granted in 20\_\_-20\_\_ Fiscal Year in TTIP-Eligible Degree Fields:

Eligible Degree Field	# of In-State Graduates in 20__- 20__ Fiscal Year	# of Out-of-State Graduates in 20__- 20__ Fiscal Year <sup>1</sup>	TOTAL (Sum of prior two columns)
1. Computer Science			
2. Computer Engineering			
3. Computer Software Engineering			

<sup>1</sup>For out-of-state graduate degree student count, reminder that online students should *NOT* be included in this calculation.

Percentage of those Degrees conferred upon students who transferred to the Qualified Institution:  
\_\_\_\_\_ %

If there has been a change in the Plan that will significantly impact the expected average annual cost incurred in the production of Eligible Degrees, please describe that impact here: \_\_\_\_\_

Total number of Master's degrees conferred in 2019-2020 Fiscal Year across entire institution:  
\_\_\_\_\_

*Please submit your completed form no later than September 15, 20\_\_. Thank you.*

